

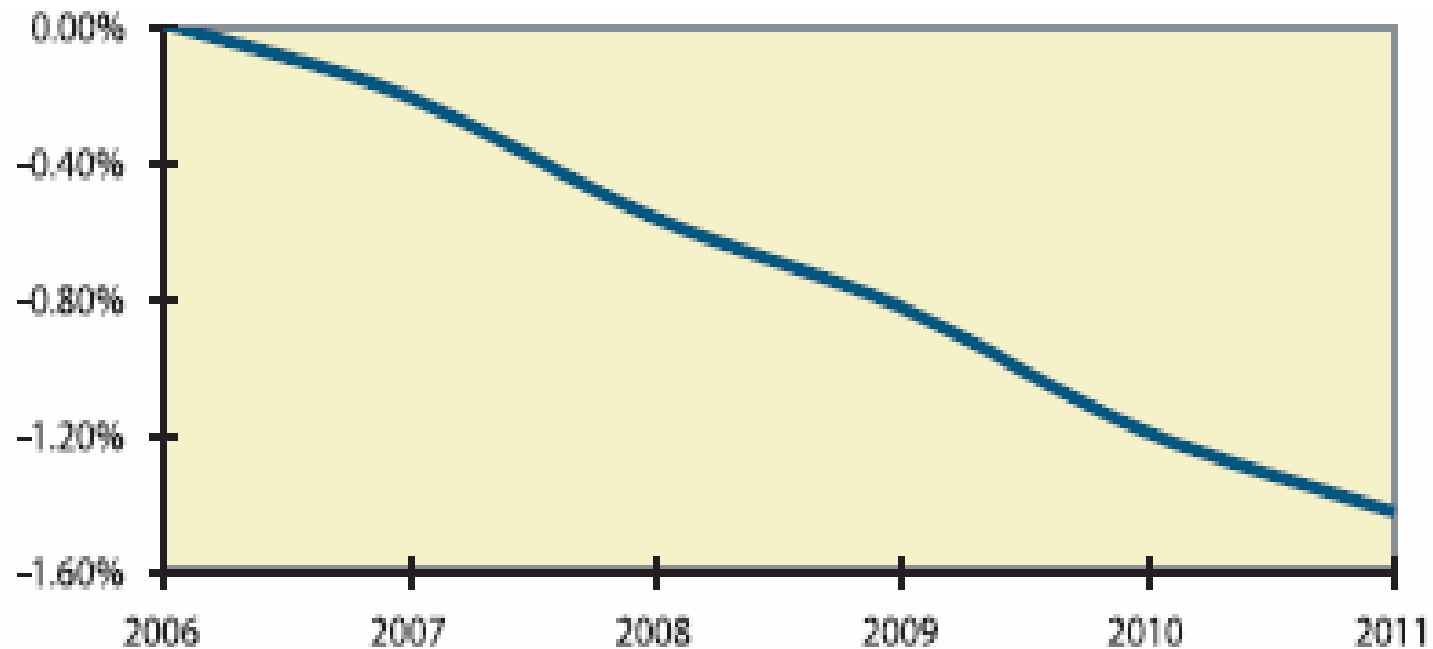
# **Proactively Addressing Dislocations in the Automotive Industry**

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# The Missouri Automotive Industry

(2007-2011 Projections)



Source: MERIC, Target Industry Cluster Report 2007

# Overview

- Understanding the Automotive Industry
- Impact Analysis of Ford Closure
- Lessons Learned From Ford
- Lessons Learned From Other Layoffs (BRAC)
- Preparing for Chrysler Layoffs

# Automotive Industry: Understanding the Linkages



## Car and Light Truck Manufacturers

### Who are their suppliers?

*IMPLAN and REMI Impact Models combined with Research*

Motor Vehicle Parts Mfg: 49%  
Automotive Repair and Maintenance: 5%  
Wholesale Trade: 5%  
Audio and Video Equip. Mfg: 3%  
Other Engine Equipment Mfg: 2%  
Etc...

### Who are their skilled labor?

*LMI - Occupational Employment Statistics and Workforce Analysis*

Maintenance and Repair Workers  
Electricians  
Welders  
First-Line Supervisors  
Team Assemblers

### What is their employment outlook?

*Workforce Analysis – Projections using LMI - QCEW, CES, and OES*

Short-Term and Long-Term Trends  
Occupations Trends

### How can they get trained?

*Workforce Analysis*

Universities  
Technology Schools  
On-Site Training

# Targeted Supply Chain LMI: Vehicle Parts Manufacturers

## Missouri Motor Vehicle Parts Manufacturers

Classified by the North American Industry Classification System (NAICS) 3363

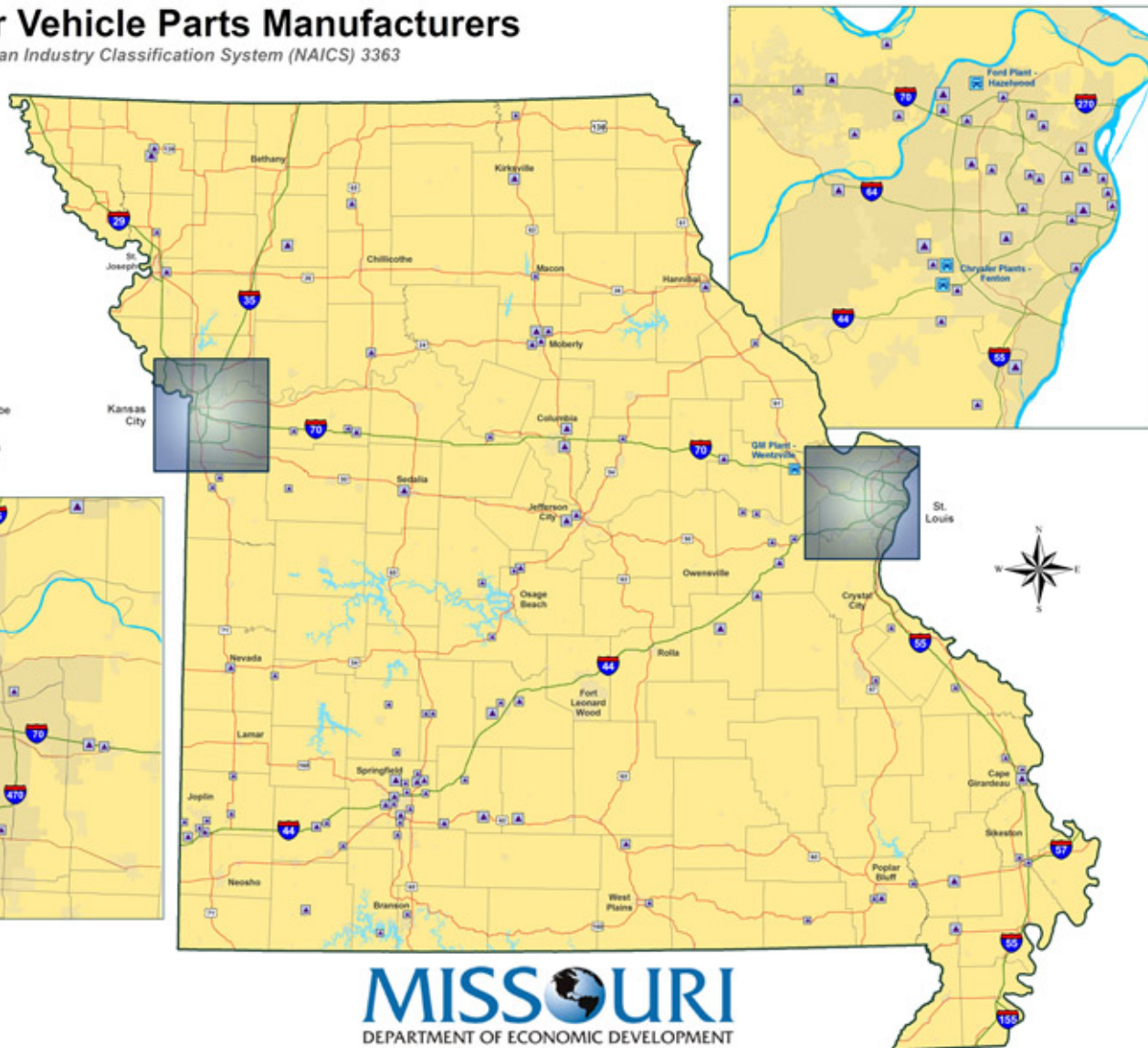
### Quick Facts - Motor Vehicle Parts Mfg.

- There are 178 establishments in Missouri that employ a total of 17,000 workers
- Top five counties for employment: Saint Louis County, Jackson, Greene, Randolph, and Franklin

### Legend

- Large Motor Vehicle Manufacturers
- NAICS 3363 - Motor Vehicle Parts Mfg.

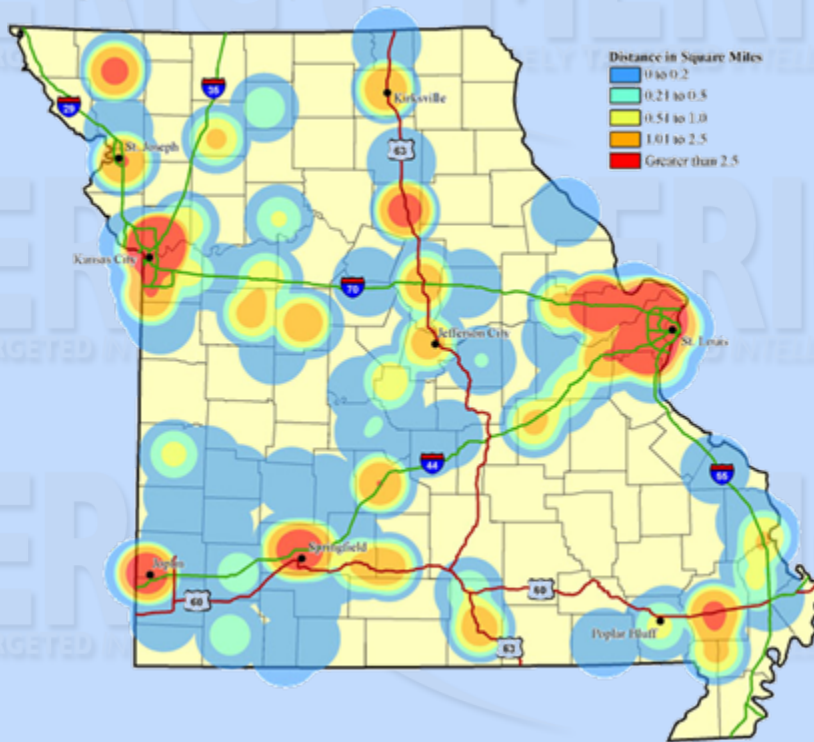
Map Notes:  
- NAICS 3363 employment information from the Quarterly Census of Employment and Wages  
- Symbols show employers for which detailed physical locations are known. These locations may be adjusted in congested areas for map clarity.  
- Cartography and QCEW analysis developed by the Missouri Economic Research and Information Center (MERIC), Missouri Department of Economic Development, February 2006.



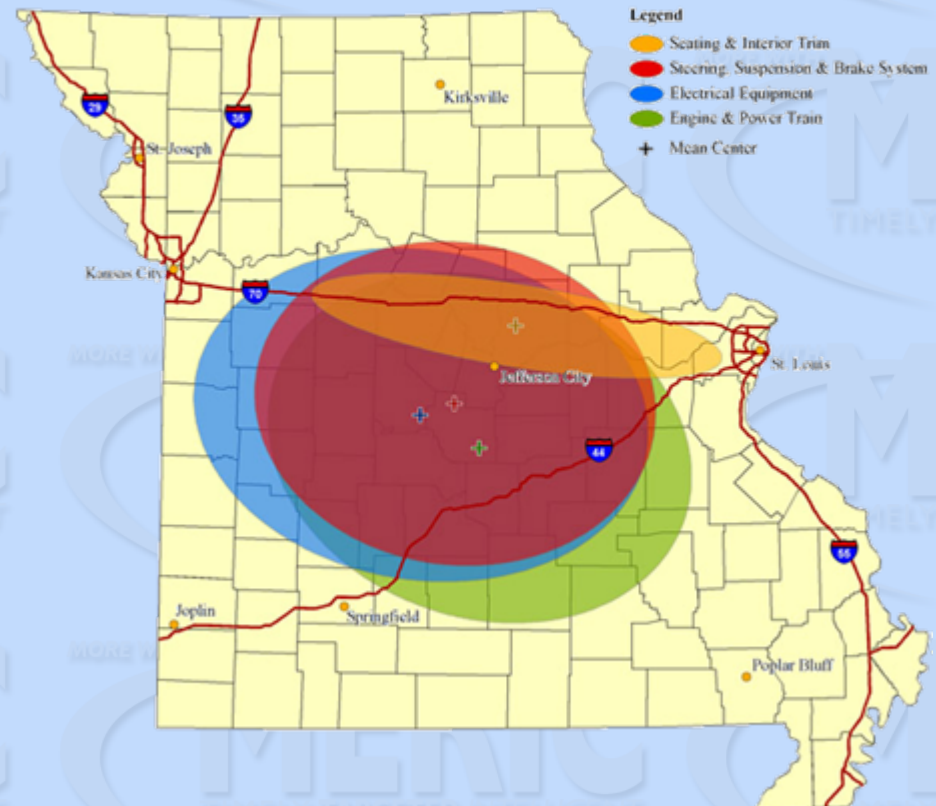


# Understanding Supply Chains: Employment Densities & Distributions Using LMI

Employment Density of Missouri Automotive Industries



Directional Distribution of Establishments in Missouri Motor Vehicle Parts Manufacturers

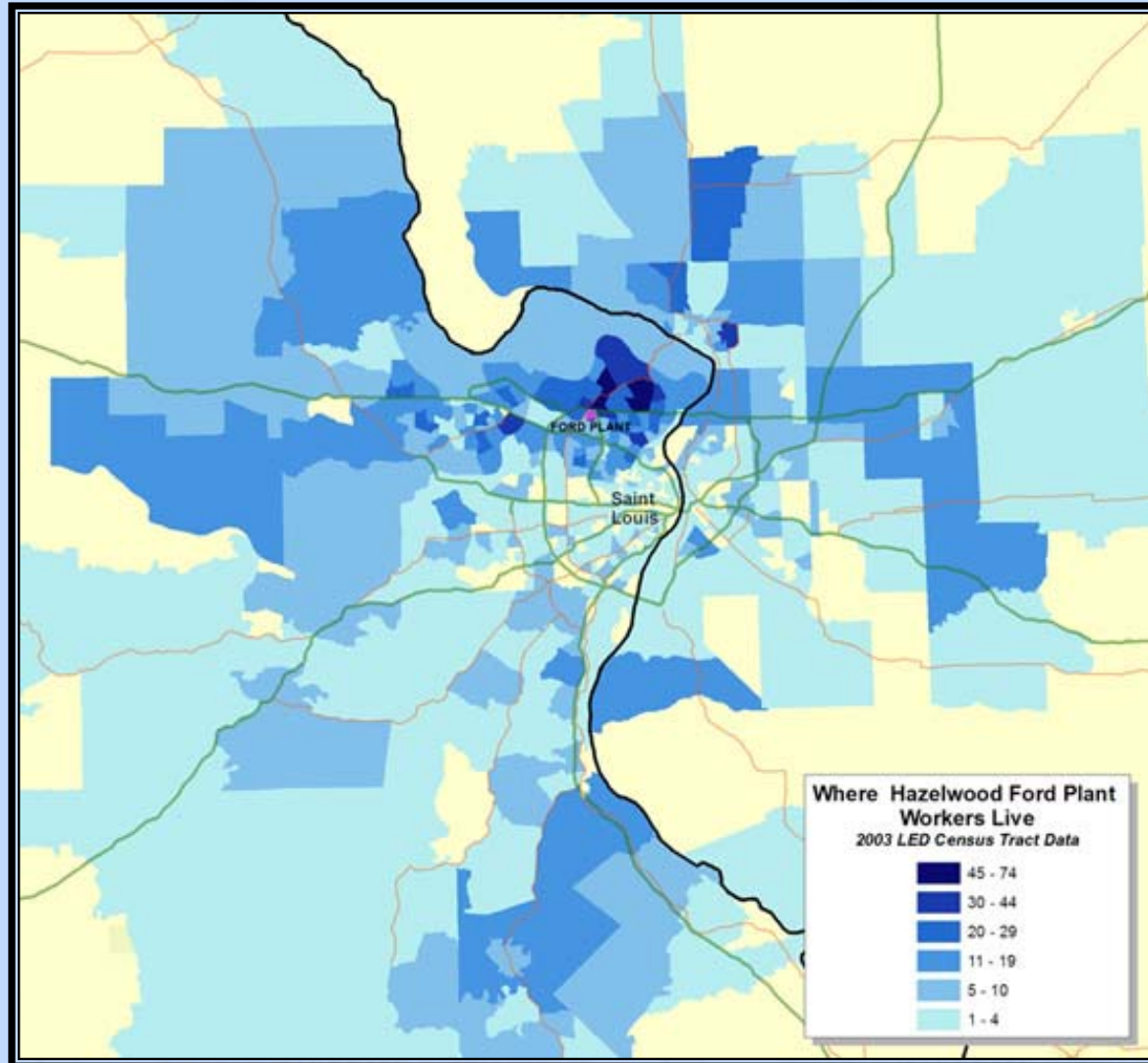


# Timely and Targeted Analysis: Pinpointing Impacts of the Ford Assembly Plant Layoffs



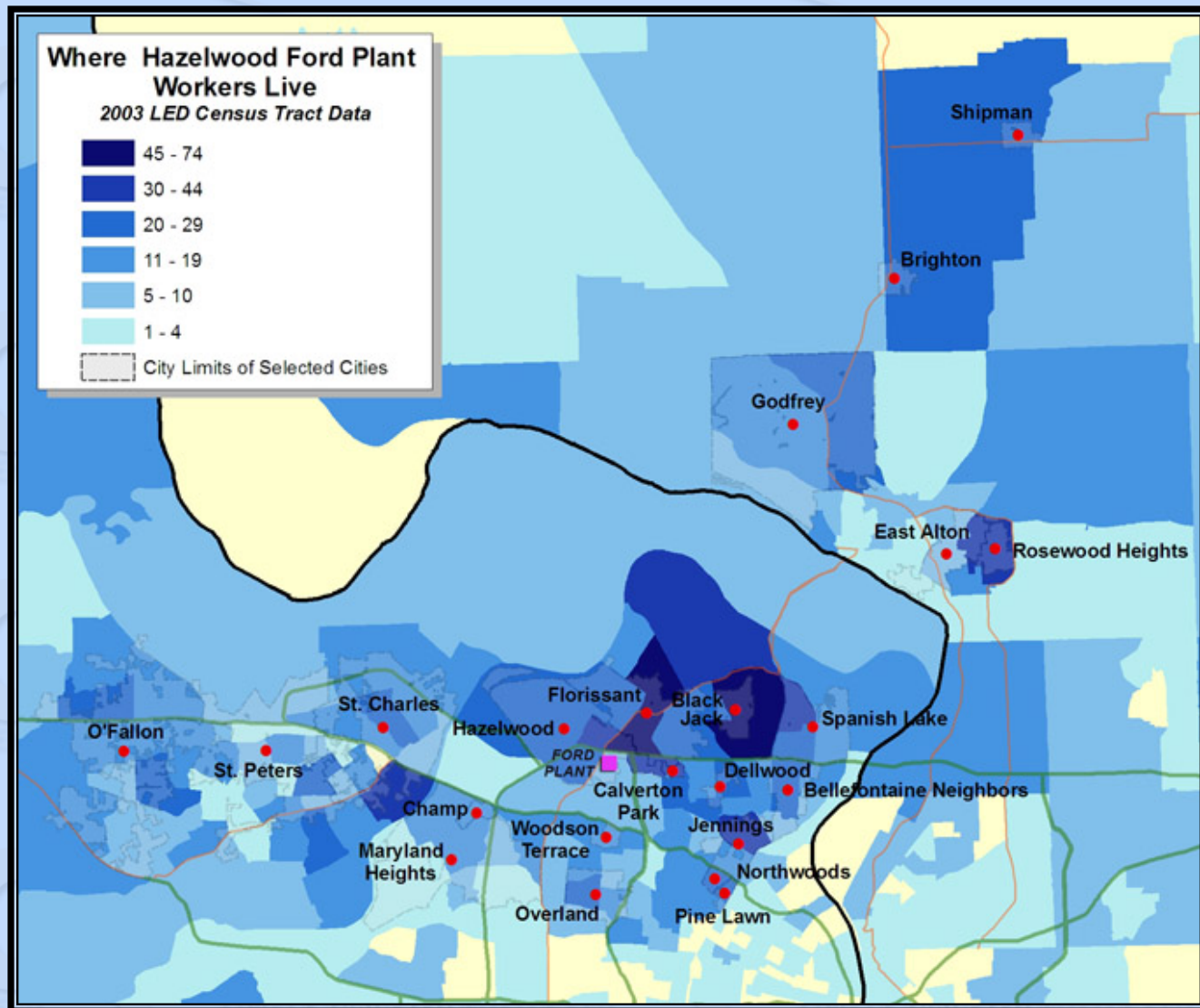


# Geospatial Investigations: Where do Workers Live?

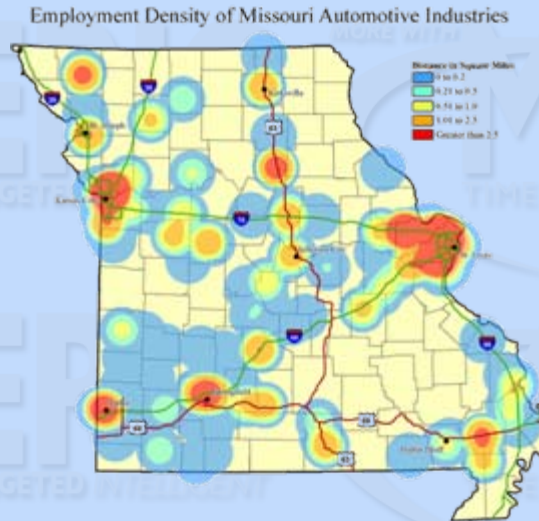




# Where Workers Live: Indications of Where Workers Spend!



# Economic Impact Analysis: How will the Layoff Impact Missouri's Economy?



## ANNUAL AVERAGE ECONOMIC IMPACT YEARS 2006 - 2015

Loss of **6,971 JOBS** each year paying an avg. wage of **\$53,840**  
Loss of **\$27.5 million** in **GENERAL REVENUES** each year  
Loss of **\$374.3 million** in **PERSONAL INCOME** each year  
Loss of **\$907.6 million** in **VALUE-ADDED / GSP** each year  
Loss of **\$2.4 billion** in **ECONOMIC OUTPUT** each year

*Economic impact estimated using the Regional Economic Models, Inc. (REMI) Regional Model. Assumptions provided by MERIC, Missouri Department of Economic Development.*

# Ford Closure: Services for Affected Businesses and Workers

- Two stages of closure
  - Reduction of staff (n = 900)
  - Closed facility (n = 1,380)
- Relationship with Ford & United Auto Workers (UAW)
- Transfers to other facilities (n = 450)

# Services/Products Developed for Other Layoffs (BRAC)

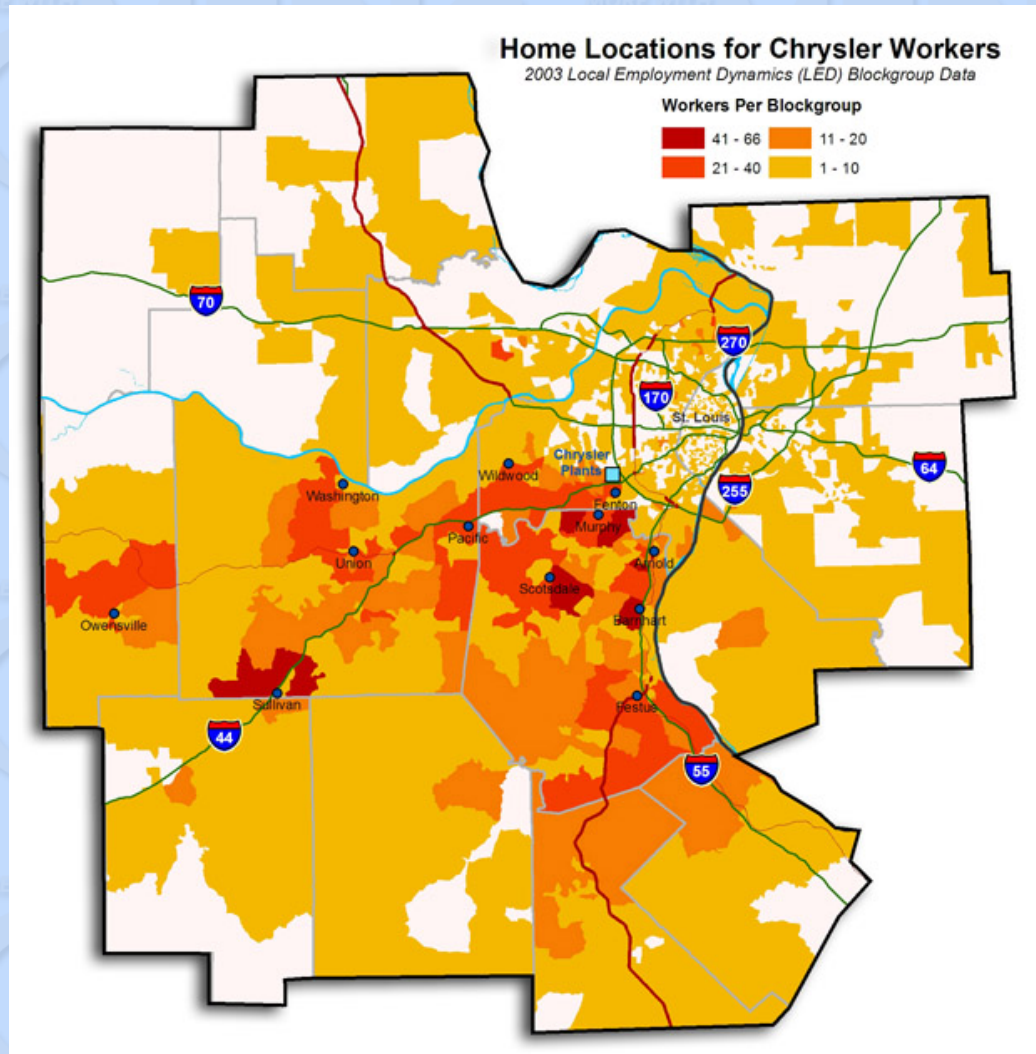
- Web Portal for Mass Layoff Events
- Job Vacancy Survey (KC and SL)
- Dislocated Worker Tool
- Custom Workforce Analysis



# Preparing for Future Automotive Layoffs: Chrysler

- Early Warning Network System
- Training Programs for Incumbent Workers
- Transitioning Services/Products for Future Layoffs
- Labor Pool Analysis for Economic Developers

# Geospatial Investigations: Targeting Impacted Workers of the Chrysler Plant



**Thank you for your time.**